

Casual Dining Chain Takes a Bite Out of the Recession

THE CHALLENGE

This casual dining restaurant chain operates in 22 states with over 130 locations. Like many restaurants chains that are challenged during this tough economic time, the client's goal was to attract customers and increase traffic at a time when consumers are dining out less frequently.

OUR APPROACH

We provided the client with an integrated direct marketing campaign that included one-to-one direct mail and online coupon circulation. Online coupon circulation is a point of difference for Money Mailer Direct Marketing. It gives us the ability to target and distribute offers across thousands of websites where shoppers can search for coupons by geography. This syndicated platform allows our clients to extend their marketing reach and increase both awareness and traffic across the web. Online coupon usage is up over 39% since 2005 and online consumers redeem at a high rate.

The client achieved a 350%
return on investment

The direct mail targeting for the client was executed at the household level. Customers were selected based on a host of criteria including:

- A drive time radius around the store.
- "Top" responding PRIZM clusters with unique selects in both the East and West.
- Minimum household income qualifications.
- Market Potential opportunity criteria were established to refine targeting based on consumer spending with a higher propensity to dine out.
- A buy one get one free entrée offer was promoted on each of two coupons to encourage repeat purchases.



OUR SOLUTION

Money Mailer Direct Marketing partnered with the client's corporate office to:

- Provide each restaurant with an instructional package including a sample of the direct mail piece, in-home dates, offer expiration dates and instructions on offer handling.
- Direct restaurants to mail offers and receipts in self-addressed envelopes each week until the expiration date.
- Webinar training was made available to restaurant managers.
- Regular calls were held with a random sample of restaurant managers to obtain program feedback.

THE REAL BOTTOM LINE

The client achieved a 350% return on investment through Money Mailer Direct Marketing.

The campaign posted an average redemption rate of 8%, with the strongest locations seeing response rates between 15% and 24%. At the end of the day, the client was able to drive over 50,000 dining occasions from this campaign, or more than 45 trips/location/week (for an entire 8 week period). Post analytics were conducted on the campaign to further refine the targeting criteria and continually improve response.

The average redemption rate
per restaurant was 8%